State of Utah Division of Oil Gas & Mining Mining/Exploration Summary

LARGE MINING OPERATION Name: DRUM MINE Permt # M270007 **Permit Status** Mine Status Ownership Location Approved: Status: APP Status: FOR Surface: BLM UTMX: 326,910 Recieved: 07/08/1983 11/28/1983 Date: 01/07/1999 Mineral: BLM UTMY: 4,377,373 Tent Appr: 10/03/1983 Methods Minerals Mined/Explored: GOLD Surf/Under: SURFACE Methods Used: **Bonding Permit Fees Date Sent** Date Received Approved Acres Acres Released **Date Released** 06/26/1998 11 11 137 **Bond Type** Cash Receipt Fee Received **US TREASURY & SURETY** \$ 0 **Bond Amount: Deliquent Notice Date Bond Expires:** \$ 429,080 08/03/1994 11 **Comments:** 6/28/2000 - Board Chairman and Division Director approved and signed request for emergency expenditure of fines and forfeiture funds for reclamation of the Drum Mine pursuant to DOGM's 7/17/2000 inspection memo wherein closure of mine portals are extremely unstable and pose a hazard to the public. 6/21/2000 - Letter sent to Utah State Treasurer authorization release of \$99,335 (principal & interest) of forfeited Jumbo Mining Bond to Western States Minerals. Please forward amount to John Carmody, Western States Minerals, Wheat Ridge Co. 6/6/2000 - Received letter and invoice from Western stating they commenced construction at the Drum on 6/5 - they have had personnel at the site for several weeks doing preliminary work prior to physically starting activities. Invoice enclosed for 1/2 of the mnies to be paid to Western **Last Action** Action: 98 FEE Start Date: 06/26/1998 End Date: // Fee \$0 - Receipt # Last Inspection Date 06/05/2000 Inspector DJ Time of Inspection: 9:00 a.m. Conditions: **Hot and Windy** Doug Jensen, DOGM Participants: Last Annual Report 1996 Acreage: 137.0 Acr Reclaimed: 0.0 Production: , , Last Agency Action Agency: BLM Agency ID:UTU-063447 Date: / / Operator WESTERN STATES MINERALS CORP Oper Id: 930 **TaxID** Contact: JIM ASHTON / BUZZ GERICK Phone: (775) 856-3339 Address: 250 S ROCK BLVD STE 130 Fax **RENO NV 89502** E-Mail Corporate office: 4975 Van Gordon St. Wheat Ridge, CO 80033 (303) 425-7042 - fax (303) 425-6634 Location Qggtr Qgtr Qtr Section Township Range Merid Quad Sheet W10.0 S 07 S15.0